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CURRENT MINNESOTA LABOR MARKET CONDITIONS

September, 1984 Supplement to The Review of Labor and Economic Conditions
Prepared by the Research and Statistical Services Office, MN Dept. of Economic Security, 390 N. Robert St., St. Paul MN 55101, in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics, and Employment and Training Admin.

Nation

Developments in nearly all of the major economic indicators in August suggested that the Nation's economy may be slowing down. The weakness in some of the barometers may be only temporary, however.

The employment situation appeared to weaken somewhat in August as the seasonally adjusted unemployment rate remained the same while adjusted total employment fell and adjusted nonfarm payroll employment rose at a relatively slow rate. At 7.5 percent, the adjusted unemployment rate was the same as in July and May and 0.4 of a point above the June rate. Total employment (seasonally adjusted) dropped by 426,000 in August after a decline of 353,000 in July. The large August drop in employment may have been the result of a later than usual survey week during which many students may have already left summer jobs. Also,seasonally adjusted nonfarm payroll employment rose only 159,000 in August after gains of 216,000 in July and 349,000 in June. However, a hospital strike reduced the August payroll employment figure by 50,000 and employment in food processing which has been erratic fell by 13,000. Employment in the cyclically sensitive durable goods manufacturing industries continued to show substantial growth through August.

Other economic reports for August revealed that retail sales and housing starts fell sharply while industrial production and personal income showed only small gains. However, temporary conditions in the auto industry, model changeovers and shortages of popular cars, were partly responsible for the weakness in industrial production and retail sales. Also, the slow growth in personal income was partly due to the hospital strike.

State

The Minnesota economy continued to expand in August as the unemployment rate edged down and both total and nonfarm payroll employment rose. The August employment gains, however, were not as strong as those in the early part of the year.

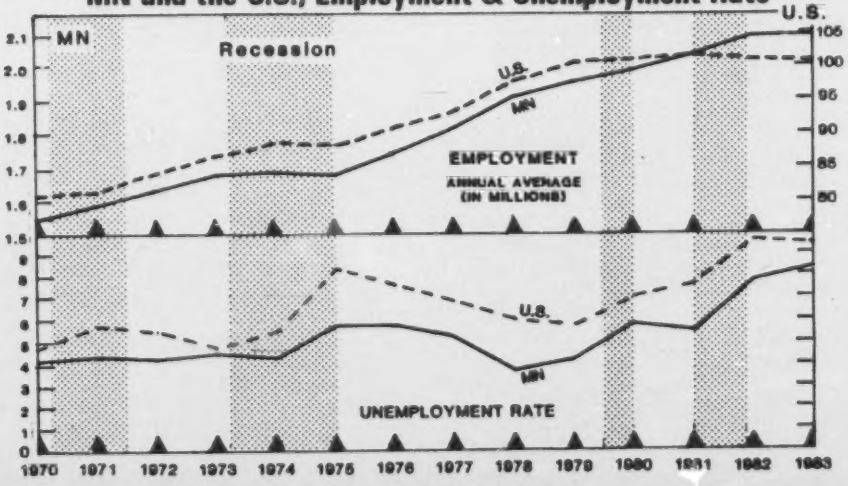
Minnesota's seasonally adjusted unemployment rate dropped 0.1 of a point to 6.3 percent after rising 0.2 of a point in each of the past two months. Although the August rate was the same as in February, it was well below the adjusted 7.8 percent of a year ago. Also, seasonally adjusted total employment rose 2,900 in August after a decline of 6,100 in July but was 87,600 higher than in August 1983. The August gain in total employment, however, was considerably less than the average monthly increase of 6,800 between January and May. Meanwhile, seasonally adjusted nonfarm payroll employment rose by 9,500 as recalls of hospital workers and other additions offset layoffs in the taconite industry. The August rise in payroll employment was not far below the average monthly increase of earlier in the year.

Developments in August among the available leading indicators also were generally favorable. Seasonally adjusted average weekly initial claims for unemployment benefits fell 2 percent in August after a 7.7 percent rise in July and was 12 percent below the year earlier level. Also, seasonally adjusted building permits for private housing climbed 19 percent in August and was slightly above a year earlier. It should be noted that the time series for data of this type tend to be rather choppy at the state level.

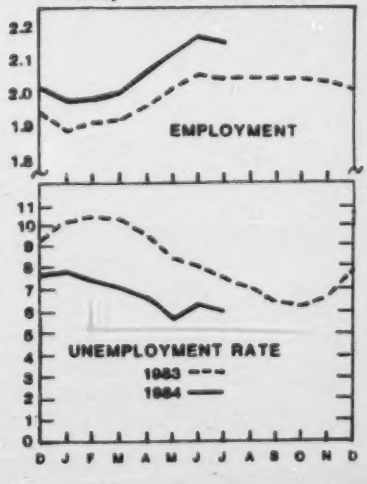
Labor Force Estimates

	MINNESOTA (Numbers in '000's)			UNITED STATES (Numbers in '000,000's)		
	August 1984	Change From Last Mo.	Change From Year Ago	August 1984	Change From Last Mo.	Change From Year Ago
Civilian Labor Force	2261.1	-23.3	61.2	115.1	-1.1	1.5
Employed	2133.3	-13.8	88.3	106.7	-0.8	3.5
Unemployed	127.7	-9.5	-27.1	8.4	-0.3	-2.0
Unemployment Rate						
Actual	5.6	-0.4	-1.4	7.3	-0.2	-1.9
Seasonally Adjusted	6.3	-0.1	-1.5	7.5	0.0	-2.0

MN and the U.S., Employment & Unemployment Rate



MN, 1983 and 1984



Minnesota Nonagricultural Wage & Salary Employment, Hours, and Earnings

INDUSTRY	EMPLOYMENT 1/ (thousands)			PER CENT CHANGE FROM		PRODUCTION WORKERS' HOURS & EARNINGS					
						Average Weekly Earnings		Average Hourly Earnings		Average Weekly Hours	
	Aug. 1984	July 1984	Aug. 1983	July 1984	Aug. 1983	Aug. 1984	July 1984	Aug. 1984	July 1984	Aug. 1984	July 1984
TOTAL NONAGRICULTURAL	1837.9	1820.9	1722.7	0.9	6.7						
MANUFACTURING	383.7	374.7	357.6	2.4	7.3	381.35	380.25	9.51	9.53	40.1	39.9
Durable Goods	228.3	224.7	210.0	1.6	8.8	399.49	390.98	9.72	9.63	41.1	40.6
Furniture, Lumber and Wood	17.3	17.0	15.8	1.9	9.6	409.44	396.40	10.06	10.01	40.7	39.6
Stone, Clay and Glass	10.0	9.9	9.5	1.1	5.0	391.78	386.20	10.31	10.11	38.0	38.2
Primary Metals	6.0	6.1	5.6	-0.6	8.4	365.49	357.29	8.98	8.91	40.7	40.1
Fabricated Metals	34.5	34.3	33.0	0.7	4.7	471.51	452.50	10.94	10.93	43.1	41.4
Nonelectrical Machinery	90.0	88.3	81.6	1.9	10.3	404.89	405.87	9.78	9.78	41.4	41.5
Electrical Machinery	29.5	29.6	26.3	-0.3	12.1	319.56	317.98	7.91	7.91	40.4	40.2
Transportation Equipment	7.4	6.1	6.4	22.7	17.1	450.50	372.10	10.60	9.12	42.5	40.8
Other Durable Goods 2/	33.6	33.5	31.9	0.2	5.3	377.70	379.20	9.49	9.48	39.8	40.0
Nondurable Goods	155.3	150.0	147.6	3.6	5.2	359.97	366.60	9.23	9.40	39.0	39.0
Food and Kindred	52.8	48.1	51.7	9.8	2.1	303.80	318.33	7.75	8.10	39.2	39.3
Textile and Apparel	5.5	5.3	5.2	2.9	6.1	217.77	217.31	5.95	5.97	36.6	36.4
Paper and Allied	34.2	34.2	32.8	0.2	4.4	477.85	481.60	11.27	11.20	42.4	43.0
Printing and Publishing	40.4	40.0	36.4	0.9	11.0	368.81	361.22	10.16	10.09	36.3	35.8
Chemical and Petroleum	9.8	9.7	9.5	1.1	3.9	435.24	461.77	11.16	11.43	39.0	40.4
Rubber and Leather	12.6	12.7	12.1	-0.4	4.0	305.56	303.24	8.02	7.96	38.1	38.0
NONMANUFACTURING	1454.2	1446.2	1365.1	0.6	6.5						
Mining and Quarrying	9.5	11.2	9.2	-14.8	3.1	517.69	528.52	13.04	13.18	39.7	40.1
Metal Mining	7.0	8.7	6.8	-19.3	2.5	539.38	546.19	14.12	14.15	38.2	38.6
Construction	85.5	82.6	71.6	3.5	19.5	573.60	588.13	14.67	14.74	39.1	39.9
Building	23.3	22.9	19.5	1.8	19.3	520.14	507.48	13.51	13.39	38.5	37.9
Highway and Heavy	17.3	16.4	15.2	5.3	14.2	583.84	557.26	13.12	13.02	44.5	42.8
Special Trades	44.9	43.3	36.8	3.8	21.9	597.06	643.57	16.05	16.17	37.2	39.8
Transportation	61.2	60.9	58.2	0.4	5.2						
Railroads	10.3	10.2	11.0	1.5	-6.1						
Trucking and Warehousing	25.7	25.4	24.5	1.3	5.2	425.59	425.59	11.66	11.66	36.5	36.5
Public Utilities	34.7	34.6	26.2	0.2	32.3	515.20	512.62	12.88	12.88	40.0	39.8
Communications	20.0	20.0	12.1	0.1	65.3	480.00	480.00	11.97	11.97	40.1	40.1
Elec., Gas and Sanitary	14.7	14.6	14.1	0.5	4.1	555.61	550.02	13.96	13.96	39.8	39.4
Trade	468.6	464.4	436.2	0.9	7.4	229.59	232.32	7.43	7.47	30.9	31.1
Retail	351.8	348.1	325.1	1.1	8.2	186.98	186.98	6.47	6.47	28.9	28.9
General Merchandise	49.1	48.5	44.1	1.3	11.4	172.87	167.28	5.90	5.89	29.3	28.4
Food Stores	47.1	47.1	45.3	0.1	4.1	223.32	226.44	7.57	7.65	29.5	29.6
Automotive	36.4	36.6	34.2	-0.5	6.5	305.24	309.14	8.34	8.20	36.6	37.7
Eating and Drinking	121.1	119.2	110.7	1.6	9.4	109.24	109.46	4.59	4.58	23.8	23.9
Wholesale	116.9	116.4	111.0	0.4	5.2	387.84	398.82	10.10	10.20	38.4	39.1
F.I.R.E.	106.9	106.8	102.1	0.1	4.7						
Finance	49.1	49.2	48.8	-0.3	0.5						
Insurance	38.0	38.0	35.9	0.1	5.9						
Real Estate	19.8	19.6	17.4	1.2	14.1						
Service Industries	420.8	412.6	397.7	2.0	5.8						
Hotel and Lodging	26.0	25.6	23.4	1.6	11.4						
Business Services	70.3	69.5	63.3	1.1	11.1						
Health Services	136.2	130.7	134.9	4.2	0.9						
Private Education	17.9	17.4	17.5	2.9	2.2						
Soc. Serv., Museums etc.	90.4	90.4	85.3	-0.1	6.0						
Government	266.9	273.0	263.9	-2.3	1.1						
Federal	31.6	31.6	30.7	.0	2.9						
State	64.3	64.6	62.6	-0.5	2.7						
Local	171.0	176.9	170.7	-3.3	0.2						

1/ Totals may not add because of rounding.
2/ Includes Scientific Instruments and Miscellaneous Industries.

Labor Force Data: State, SMSAs, and Counties

Area or County	August, 1984 Prelim.		
	Labor Force[1]	Unemp.	Un. Rate
State of Minnesota	2261095	127748	5.6
Metropolitan Areas			
Duluth/Superior (Duluth City Only)	34240	2454	7.2
Fargo/Moorhead (Clay County, MN Only)	27623	1286	4.7
Minneapolis/St. Paul SMSA[2]	1228196	55218	4.5
Rochester SMSA (Olmsted Co.)	60841	2514	4.1
St. Cloud SMSA[3]	81058	6280	7.7
Counties			
Aitkin	5715	675	11.8
Anoka	116248	5205	4.5
Becker	13461	1331	9.9
Beltrami	16944	1243	7.3
Benton	12564	1027	8.2
Big Stone	4344	241	5.6
Blue Earth	28779	1241	4.3
Brown	16072	873	5.4
Carlton	11970	1176	9.8
Carver	21771	783	3.6
Cass	11641	951	8.2
Chippewa	8081	446	5.5
Chisago	15292	722	4.7
Clay	27623	1286	4.7
Clearwater	4259	619	14.5
Cook	2592	194	7.5
Cottonwood	7929	493	6.2
Crow Wing	18975	1463	7.7
Dakota	114916	4942	4.3
Dodge	9106	609	6.7
Douglas	14456	791	5.5
Faribault	11760	562	4.8
Fillmore	12934	803	6.2
Freeborn	18515	1258	6.8
Goodhue	20878	1188	5.7
Grant	3670	163	4.4
Hennepin	558960	25603	4.6
Houston	10625	489	4.6
Hubbard	6298	594	9.4
Isanti	10742	770	7.2
Itasca	17344	1769	10.2
Jackson	8393	486	5.8
Kanabec	5726	536	9.4
Kandiyohi	19333	1012	5.2
Kittson	3696	294	8.0
Koochiching	7848	650	8.3
Lac qui Parle	6138	347	5.7
Lake	4278	489	11.4
Lake of the Woods	2026	143	7.1
Le Sueur	13495	806	6.0
Lincoln	4257	216	5.1
Lyon	16189	735	4.5
McLeod	19222	806	4.2
Mahnomen	3126	307	9.8
Marshall	6747	717	10.6
Martin	14952	919	6.1
Meeker	11875	922	7.8
Mille Lacs	9538	778	8.2
Morrison	13546	1150	8.5
Mower	18380	1123	6.1
Murray	6651	428	6.4
Nicollet	14844	669	4.5
Nobles	12960	818	6.3
Norman	4937	265	5.4
Olmsted	60841	2514	4.1
Otter Tail	26302	1874	7.1
Pennington	6598	483	7.3
Pine	10015	810	8.1
Pipestone	5979	262	4.4
Polk	17755	1491	8.4
Pope	5934	328	5.5
Ramsey	273477	12986	4.7
Red Lake	2292	251	11.0
Redwood	11338	486	4.3
Renville	12593	833	6.6
Rice	24581	1661	6.8
Rock	6276	196	3.1
Roseau	6515	441	6.8
St. Louis (Inc. Duluth)	87372	11264	12.9
Scott	25848	1042	4.0
Sherburne	14761	1062	7.2
Sibley	9502	461	4.9
Stearns	53733	4191	7.8
Steele	17751	1015	5.7
Stevens	6063	244	4.0
Swift	6849	652	9.5
Todd	12318	846	6.9
Traverse	3021	121	4.0
Wabasha	10753	725	6.7
Wadena	5704	446	7.8
Waseca	9804	416	4.2
Washington	66984	2640	3.9
Watonwan	7024	373	5.3
Wilkin	4514	211	4.7
Winona	23142	1649	7.1
Wright	34700	1295	3.7
Yellow Medicine	8145	353	4.3

Technical Notes:

1/ Labor force data is computed according to BLS methodology. The method includes an adjustment to assure that the sum of the substate areas equals the separately estimated State total. This adjustment is Applied to all county and SMSA areas. County and area unemployment was multiplied by an adjustment factor of 1.66 ; employment was multiplied by 1.02. For a more detailed explanation see the Review of Labor and Economic Conditions, Vol. 4, No. 4, (February 1978 issue), p. 29.

2/ Anoka, Carver, Chisago, Dakota, Hennepin, Ramsey, Scott, Washington, and Wright Counties.

3/ Benton, Sherburne, and Stearns Counties.

Selected Minnesota Program Statistics

Characteristics of the Insured Unemployed

Tables 1 and 2 provide data on persons who filed a claim for unemployment compensation in Minnesota during the month. Only those claiming benefits from the regular State program are represented since data on the characteristics of Federal employees and veterans are not available.

Total claimants for unemployment benefits dropped by 2,462 or 8.8 percent in August. A sharp decline (2,155) among claimants in the services industries resulting primarily from the recall of laid off hospital workers more than offset 1,500 layoffs in the mining industry. There were also large over-the-month decreases of 1,042 in manufacturing and 519 in construction. Over-the-year, the number of claimants fell by 7,331 or 22.3 percent. The largest decline from a year ago was among claimants in retail trade (1,663). Other sizeable over-the-year reductions occurred in construction (1,297), manufacturing (1,271) and services (1,251). Recently available seasonally adjusted claimant data show that the total number of claimants have fallen in 22 of the past 24 months.

Table 1. Distribution of Insured Unemployed, By Age and Sex, August, 1984

Age Groups	Number	Percent Distributions		
		Men of Totals	Men of Men	Women of Women
TOTALS	25492	56.9	100.0	100.0
Under 45	19310	58.4	77.8	73.0
Under 25	3860	58.9	15.7	14.4
25-34	9612	59.8	39.6	35.2
35-44	5838	55.9	22.5	23.4
45 and Over	6182	52.0	22.2	27.0
45-54	3459	51.2	12.2	15.4
55 and Over	2723	53.1	10.0	11.6

Table 2. Distribution of Insured Unemployed By Industry and Occupation, August 1984.

Industry and Occupational Attachment	Number	Percent of Total	Percent Long-Term 1/ Unemployed	Women as Percent of Total
Total, All Industries	25492	100.0	20.5	43.5
Ag., For., Fish.	253	1.0	18.5	41.1
Mining	1633	6.4	0.4	4.0
Construction	1830	7.2	14.9	8.0
Manufacturing	6751	26.5	24.5	38.2
Pub. Utilities	1129	4.4	25.6	27.9
Wholesale Trade	1772	7.0	24.5	32.7
Retail Trade	3319	13.0	23.7	49.9
Fin., Ins., Real Est.	973	3.8	27.3	63.5
Services	6853	26.9	18.9	65.2
Public Admin.	580	2.3	23.6	62.1
Inf. Not Available	399	1.5	2.5	39.8
Total, All Occupations	25492	100.0	20.5	43.5
Prof., Tech., Mgr.	5441	21.3	20.0	53.8
Clerical	3767	14.8	25.4	83.8
Sales	1175	4.6	29.2	35.0
Services	2485	9.8	21.7	61.2
Farm., For., Fish.	191	0.7	24.2	22.6
Processing	1075	4.2	24.1	38.2
Machine Trades	1584	6.2	23.3	15.7
Benchwork	2252	8.8	21.5	56.4
Structural Work	2743	10.8	17.3	4.9
Misc.	4450	17.5	13.4	17.7
Inf. Not Available	329	1.3	20.0	63.3

1/ Long-Term unemployed refers to unemployment insurance claimants whose current spell of unemployment has lasted 15 weeks or longer.

Job Service Applicant Supply and Demand

Table 3 compares Job Service (J.S.) job applicants with the J.S. job openings that existed at the end of the month. These comparisons are expressed as supply/demand ratios. Other things being equal, the greater the ratio of applicants to openings, the greater the competition has been for work within that occupational category. To put these ratios into context, the reader must remember that not only do job seekers and employers in general find jobs or recruit workers through other means, but those interested in certain kinds of jobs are particularly unlikely to use the J.S. For example, workers seeking professional and Managerial jobs are least likely to use the J.S., whereas employers usually recruit construction workers through union halls and hire teachers directly. Thus, the main value of Table 3 is that it reflects, for broad occupational groups, the relative labor market conditions that those using the J.S. encountered when seeking work.

Table 3. Experienced Supply/Job Openings Demand 1/

Occupation	Applicants (Supply)	Job Openings (Demand)	Supply/Demand Ratio	
	August, 1984	August, 1984	August, 1984	August, 1983
Total	100052	20988	4.8	9.7
Prof., Tech., Mgr.	13419	1908	7.0	19.9
Clerical	17404	4000	4.4	6.3
Sales	4721	2196	2.1	2.4
Dom. Services	1674	228	7.3	9.3
Other Services	13861	6174	2.2	6.0
Farm., Fish., For.	5866	290	20.2	30.5
Processing	2638	1024	2.6	4.1
Machine Trades	6134	947	6.5	23.3
Benchwork	6503	901	7.2	23.4
Structural Work	12589	1227	10.3	33.0
Mtr. Frght., Trans.	4007	882	4.5	12.2
Pkg. & Mat. Hndlg.	10011	1121	8.9	17.3
Other	1225	90	13.6	45.1

1/ Inexperienced and improperly coded job applicants are not included in this table.